

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION  
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In the Matter of:

Administration of the  
North American Numbering Plan

CC Docket No. 92-237  
Phases I and II

To: The Commission

**COMMENTS OF ALLNET COMMUNICATION SERVICES, INC.**

Allnet Communication Services, Inc. (Allnet), herein files these comments in response to the Commission's October 29, 1992 Notice of Inquiry, Phases I and II, in the above captioned proceeding. In these comments, Allnet places into sharper focus the questions that must be addressed in the Administration of the North American Numbering Plan (NANP). The Administration of the NANP is a telecommunications infrastructure matter that cannot be left to a select and self-serving group of telecommunications monopolies, namely the Bell Operating Companies (BOCs). By example, it is shown that the administration of the NANP has been treated by Bellcore as simply another service that it provides for its owners, the BOCs, to further their business objectives.

**I. The Functions of North American Number Administration vs. Bellcore's NANP Administration**

The NANP Administration role can be broken down into two basic parts: 1) establishment of policy, and 2) the execution of that policy. The first part is a critical function that the FCC must ultimately determine. It has yet to be shown

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that a private entity is better equipped and more appropriate for developing the policy of how area codes, and similar NANP resources, should be awarded among competitors. Nothing could be considered more important to the proper development of the telecommunications infrastructure in the United States than the policy of how the scarce telephone number resources will be used and divided up among competitors.

As for the role of executing the policies, the effort required to carry out the policy can be relatively small and inexpensive. Bellcore's army of administrative personnel are required because Bellcore has successfully intertwined the functions of carrying out services for its owners, with the far simpler task of simply giving out numbers. Moreover, FCC resources are already involved in the process (e.g., the FCC's Industry Analysis branch), and very little additional effort would be required to carry out these policies. In fact, for the most part, by using standardized application forms (such as that used in microwave and broadcast applications), the Commission could streamline the process to make the policy execution primarily a clerical function.

Although the Commission highlights the fact that the existing system has required "considerable skill and foresight... [and] is the envy of the rest of the world,"<sup>1</sup> this observation only supports the need for change. More specifically, NANP administration by a private entity that dominated the entire US telecommunications industry (i.e., AT&T) was acceptable so long as the industry structure was that of an overall monopoly. Since the pre-divestiture NANP administrator was the monopoly telecommunications provider, NANP

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<sup>1</sup>NOI at para. 23.

administration was, in fact, primarily an intra-AT&T corporate function -- a zero sum game for a single company, or group of related companies under the pre-divestiture AT&T umbrella.

Even immediately after divestiture, the NANP administration was still a zero sum game for Bellcore's owners, with little offsetting negative or positive effects imposed on third parties by any given decision. However, as competition has entered almost every facet of the telecommunications marketplace and the BOCs, themselves, were cleared to compete with each other (yet have largely failed to do so), a view that NANP administration is a zero sum game within the confines of Bellcore's owners has largely fallen apart. Now almost every NANP decision directly or indirectly impacts third party competitors vis a vis each other and, in some cases, vis a vis Bellcore's owners, themselves. Under such circumstances, the NANP administration role becomes a strategic competitive tool of the controller of the NANP plan. It is clear that if competition is to develop any further in this industry, the NANP administration roles must be transferred away from the control of any one set or similar set of competitors.

## **II. The Scope of the Policy Tasks**

When compared to developing a policy for awarding broadcast, microwave licenses, or cellular licenses, the NANP Administration policy development is not a highly burdensome task, but it is an important one. As the Commission notes in its NOI, the most well known and most dominant function of the NANP administrator is to determine when and if to implement numbering changes to the NANP (i.e., awarding new area codes, changing to interchangeable area

code/exchange codes), etc. The development of the overall policy currently takes years, thus, the current system offers no advantages over the use of the regulatory process for determining NANP policy. It is well within the expertise of the FCC itself, which can dispose of NANP policy issues as fast or faster, and more fairly than the current system within a competitive environment.

It does not take extensive personnel effort to develop numbering plan policies. Moreover, given the highly contentious nature of the existing system, and the inherent biases that it creates, it is almost inevitable that every major numbering plan decision in the future will be protested at the FCC. Thus, the FCC will inevitably be required to make the final decisions in the end -- only later than they would have made those decisions had they passed on the questions in the first place. Given the inevitability of FCC adjudication on the NANP matters, it only makes sense that time and effort will be saved if the FCC takes on the primary responsibility to make the numbering plan policy decisions in the first place.

### **III. The Scope of the Execution Tasks**

The execution of the FCC's policies is easily done by Commission staff on delegated authority. Execution of the NANP policies is similar in nature to the day-to-day awarding of microwave licenses and broadcast licenses. The FCC's increased expenses could be recovered through application fees, such as the type of application fees applicable to other licenses today. Thus, no overall increase in costs would result if the FCC were to assume this role as well. Furthermore,

given the higher pay scales and benefits packages of the Bellcore employees, as well as the inherent intermingling of BOC-tasks with the far simpler NANP tasks, the costs of NANP administration will be considerably less if the FCC carried out these responsibilities themselves.

#### **IV. Some Examples of Inherent Biases of Bellcore**

Over the years countless examples have come to the fore that demonstrate the inherent conflict of interest that Bellcore has in administering the NANP.

A recent example involves its administration of the 800 database. Bellcore took on the role of administrator of the 800 database SMS under the guise of its being an extension of its NANP administration role. A major issue has been whether access to the 800 SMS should be tariffed or done under contract. When asked at an open meeting whether Bellcore had a preference as to tariff or contract, the Bellcore attorney indicated that Bellcore had no position on the topic. However, the Bellcore attorney stated that Bellcore had adopted the position of its owners, the Bell Operating Companies, namely that access to SMS must be offered under contract, and not a tariff.<sup>2</sup> Thus, Bellcore does adopt the positions dictated by its owners, even when it is carrying out NANP tasks. In addition, the prices that Bellcore has proposed and set for SMS access were developed with the direct involvement of Bellcore's owners.<sup>3</sup> Moreover, 60% of the costs of facilities and services used to administer the 800 database were not procured on an open-

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<sup>2</sup>See, Allnet Reply Comments on Comptel Petition for Declaratory Ruling, CC Docket No. 86-10, filed July 17, 1992.

<sup>3</sup>Id. at 1.

bidding basis from outsiders, but instead procured exclusively from Southwestern Bell, one of Bellcore's owners. Finally, Bellcore did not insist that the design of the 800 SMS be limited to carrying out NANP number reservation functions, but instead allowed the design to intermingle BOC service support capabilities with those NANP number reservation functions -- allowing for undeterminable cross-subsidy between the NANP functions and the BOC service function capabilities of the SMS.

Another example of Bellcore's biases is exemplified by an affidavit filed by a former Bellcore employee with the US District Court Judge Harold Greene. In that affidavit, Mr. Richard Taylor, a member of Bellcore's technical staff from August, 1985 until March 1991, indicated that:

[He] was directed to, and did, conspire with my Bellcore management, and conspire jointly also with members of the seven (Bell regional operating companies), to provide the technical means necessary to leverage monopoly voice telecommunications access to create monopoly local access to ISDN (integrated services digital network), a new digital telecommunications technology that is not otherwise a natural monopoly....This conspiracy resulted in a successful execution of a covert plan to discard two existing draft American national ISDN standards at a T1 standards meeting held in 1987, and their replacement with an earlier Bell System standard that was being balloted at the international standards body, CCITT. This replacement standard was designed for telecommunications monopolies: state monopolies overseas, the Bell System monopoly in the U.S. I was directed to, and I did, generate and provide massive detailed technical justifications in support of these anticompetitive objectives and purposes...as a result of these actions, the American National Standards Institute ISDN standard, numbered T1-602, contains unfair and otherwise unnecessary technical provisions designed to ensure BOC monopolies on local ISDN access. ... These technical protective and service-bundled ISDN technical switch requirements are contained in documents....TA-TSY-000793 and TR-TSY-000793.<sup>4</sup>

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<sup>4</sup>See, "Former Bellcore Employee Says Consortium Conspired to Ensure Monopoly Access to ISDN," Telecommunications Reports, November 30, 1992 at 21.

This example simply highlights a related matter, namely the inherent confusion that arises in standards meetings due to the dual roles of Bellcore. The role of being the NANP administrator provides Bellcore the ability to mix and mingle its non-NANP administrator roles serving its owners with its official NANP administration roles. Outsiders, particularly non-US entities, often do not understand this dual role and assume that Bellcore represents the entire United States NANP position, when in fact, it is simply representing its owner's interests. There is no bright line between the NANP functions and the non-NANP functions that Bellcore provides from an outsider's perspective. Nor has Bellcore made any meaningful attempt to clearly distinguish itself when it is carrying out one role, as opposed to the other. This confusion has permeated its activities in standards bodies, as it has increasingly dominated the functioning and process of those standards bodies.

It is clear that Bellcore has failed to act independently of its service oriented role pertaining to its owners, the BOCs. This is understandable given that the BOCs pay Bellcore's expenses and control its operation and management. Given this inherent conflict, there can be no solution short of removal of the NANP administration role from Bellcore.<sup>5</sup>

#### **IV. The CIC Code Problem**

In Phase II, the Commission asks a number of questions regarding the

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<sup>5</sup>Given Allnet's position that Bellcore must relinquish its NANP role, Allnet can provide no guidance for the Commission on how to create a second best solution through oversight of Bellcore in this role [NOI at paras. 32-33], such an approach is fatally flawed and only provides a facade of fairness.

expansion of the 10XXX dialing to a 10XXXX dialing format for Feature Group D. NOI at paras. 36-38. These questions cannot be simply answered without a focused investigation of the BOCs' general failure to provide equal access for intraLATA interstate toll services. The expansion of the Feature Group D dialing arrangement has gained considerable ground in some state jurisdictions.<sup>6</sup> However, the LECs, particularly the BOCs, have been very slow at carrying out intraLATA equal access even though the software necessary for providing intraLATA equal access has been available at least since 1986,<sup>7</sup> thus any expansion of the 10XXX dialing will only exacerbate the discrimination that currently exists between the access the BOCs provide to their own toll services and that which they provide to their competitors. The "costs" and "technical issues" of expanding the 10XXX dialing to a four digit scheme involves serious competitive intraLATA interstate toll issues that the Commission must first address.

There should be an automatic grandfathering of all 10XXX assignments until a comprehensive intraLATA dialing plan, including nationwide dial-1 equal access for all intraLATA toll carriers -- at both the state and interstate levels -- is universally carried out on a well defined schedule. Then, and only then, can any

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<sup>6</sup>See, for example, Public Service Commission Implementation of SB 2320, Case No. PU-2320-90-183, State of North Dakota Public Service Commission, entered December 15, 1992; also, see NARUC IntraLATA Presubscription Survey Results, August 1992.

<sup>7</sup>In 1986, the Commission ordered that intraLATA toll dial-1 restrictions were illegal and must be removed from switched WATS access lines. See, In the Matter of MidYear 1986 Access Tariff Filings, Memorandum Opinion and Orders, FCC 86-535, released December 19, 1986. The same switch software that made this implementation possible within a matter of weeks, should have been used to eliminate similar dialing restrictions from the technically identical switched "common lines." [Also, see MidYear 1986 Access Tariff Filings, MO&O, released January 20, 1987 at paras 1 and 14.]

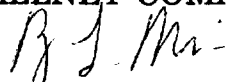


serious consideration be given to expanding existing 10XXX codes to beyond that length. As to unassigned 10XXX codes (or series of codes), those unassigned codes can be expanded to the 10XXXX format without delay to alleviate any short term shortages that may arguably exist.

**V. Conclusion**

For the reasons set forth herein, the FCC should fully assume the policy and execution roles of NANP administrator. In addition, the existing 10XXX Feature Group D assignments should be grandfathered until intraLATA toll dial-  
1 equal access is available on a nationwide basis for all intrastate and interstate toll calling.

Respectfully submitted,  
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Dated: December 28, 1992

### Certificate of Service

I, Angela Ford, hereby certify that I have caused to be served on this date, a true copy of the forgoing Allnet Comments by postage-prepaid first class mail to the parties on the attached service list.

A handwritten signature in cursive script, appearing to read "Angela Ford". The signature is written in black ink and is positioned below the text of the certificate.

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